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**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF LOUISIANA**

DASHA CORNER and  
GREATER NEW ORLEANS  
FAIR HOUSING ACTION CENTER, INC.,  
Plaintiffs

CIVIL ACTION NO. 06-10751

VERSUS

SECTION M

THE HOUSING AUTHORITY OF NEW  
ORLEANS and LGD Rental 1, LLC,  
doing business as  
RIVER GARDEN APARTMENTS,  
Defendants

JUDGE BEER

MAGISTRATE JUDGE SHUSHAN

**CONSENT DECREE**

Plaintiffs Dasha Corner and the Greater New Orleans Fair Housing Action Center ("FHAC") filed this action on December 4, 2006, against the Housing Authority of New Orleans ("HANO") and LGD Rental 1, LLC ("HRI/River Garden") (collectively "Defendants"). In their complaint, plaintiffs allege that HANO and HRI/River Garden breached a valid conciliation agreement ("Enforcement Agreement") entered in August 2003 under the Fair Housing Act of 1968<sup>1</sup> when they leased ACC units at the River Garden Apartments in New Orleans to HANO employees and other non-former St. Thomas residents. Specifically, plaintiffs claim that such conduct violates the Fair

<sup>1</sup> Eighteen complainants filed administrative complaints with the U.S. Department of Housing and Urban Development ("HUD") in April 2003, which were resolved in the form of a HUD Enforcement Agreement. The Enforcement Agreement for one of the complainants, Ms. Vanessa Faulk, under HUD case number 06-03-0267-8, is attached as Exhibit A.

\_\_\_ Fee \_\_\_\_\_  
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Housing Act, 42 U.S.C. §3601, et seq. and Civ. Code Art. 1994. HANO and HRI/River Garden deny all of the plaintiffs' allegations.

Dasha Corner, FHAC, HANO, and HRI/River Garden desire to avoid costly and protracted litigation and agree that the claims against the defendants should be settled without further litigation. The parties also agree that their mutual interests, as well as the interests of former St. Thomas residents and other public housing residents, will be served by working cooperatively to ensure that both the letter and spirit of this Consent Decree are realized. The parties enter into this Consent Decree freely and voluntarily, and no party has been coerced, intimidated, threatened, or in any way forced to become a party to this Consent Decree. Therefore, Dasha Corner, FHAC, HANO, and HRI/River Garden have agreed to enter this Consent Decree. It is the intent of the parties that the terms of this Consent Decree shall supersede those of the Enforcement Agreement.

**THEREFORE, IT IS HEREBY ORDERED:**

**I. JURISDICTION AND SCOPE**

**A)** The Court has subject matter jurisdiction over the claims in this civil action pursuant to 28 U.S.C. §§ 1331, 1343, and 1367(a); and 42 U.S.C. §§ 3613 and 3614(a).

**B)** The provisions of this Consent Decree apply to and bind FHAC, HANO and HRI/River Garden, their employees, officials, officers, agents, successors, and all persons in active concert or participation with any of them, as well as any entity, company, or person who purchases, manages, or operates any of the on- or off-site developments of the former St. Thomas Housing Development, as referenced in Section III.

C) This Consent Decree is a settlement of disputed claims and seeks to clarify inconsistencies among various documents that govern the operation and procedures for River Garden Apartments pertaining to *Preferences for Preferred St. Thomas Clients*. This Consent Decree shall not be considered an admission by HANO or HRI/River Garden of the truth of plaintiffs' allegations, and HANO and HRI/River Garden specifically deny all such allegations and any liability to the plaintiffs, whatsoever, whether under the Fair Housing Act or under any other federal or state law.

## II. DEFINITIONS

A) "*Affordable units*" refer to those units developed at River Garden Apartments that have income restrictions. These units include *ACC units*, units funded by the low income tax credit program under Section 42 of the Internal Revenue Code, and income-restricted units funded by the tax exempt bond financing program under Section 142 of the Internal Revenue Code, and 15 homes on-site that will be sold to first time home buyers.

B) "*ACC units*" are *affordable units* that are considered "public housing units." These units will be occupied in accordance with **Section VII.E** of this Consent Decree.

C) An "*applicant*" is any individual who has at least completed the first step in the application process by filling out an Affordable Housing Application form with HRI/River Garden staff, and whose application for an *ACC unit* is still pending.

D) "*Disabled*" means a person who has provided documentation of disability income, or documentation of inability to work signed by a physician. HRI/River Garden staff shall provide *applicants* with a form, attached as Exhibit B, to be signed by the physician.

E) "*Elderly Rental*" refers to the 57-unit stand alone building that is funded by the low income tax credit program under Section 42 of the Internal Revenue Code. Units in this building are not considered *ACC units* and are eligible only for incoming qualified individuals 62 years of age or older unless the age limit is changed by HUD. HUD 4350-3, Fig 3-6.

F) The "*General Public*" refers to any individual who is not a *HANO client*.

G) A "*HANO Client*" refers to a *Preferred St. Thomas Client* or an individual who is receiving or, as of August 28, 2005, was receiving one of the following from HANO: Public housing, or Section 8 project-based assistance, or Section 8 tenant-based voucher assistance. HANO is solely responsible for this "*HANO Client*" determination and shall advise HRI/River Garden if an individual is a *HANO Client* within two (2) business days from the date of HRI/River Garden's written or email request. An individual must be a *HANO Client* in Good Standing to enter into a lease for an *ACC unit*. HRI/River Garden shall have no input into the determination whether an individual is a *HANO Client* and shall not be held responsible for any improper determination of the same.

H) The "*HANO Good Standing Requirement*" refers to a *HANO Client* who meets all four of the following requirements:

- 1) Has had no repayment agreement or unpaid balance with HANO at any time in the past year;
- 2) Has no criminal activity or history of disturbance that resulted in a termination under HANO's One Strike Policy, attached as Exhibit C;
- 3) Has a good credit history with utility companies (when applicable); and

4) Has a good housekeeping record, as indicated by housekeeping inspection reports in the resident's file at HANO.

Except for evictions due to one strike violations referenced in Section II.H.2, above, a *HANO Client* who can cure any other condition that serves as an obstacle to the "*HANO Good Standing Requirement*" will be given an opportunity to do so by the date of any appeal hearing requested by the *applicant* pursuant to Section VII.F of this Consent Decree. If a *HANO Client* was evicted from Section 8 housing or terminated by HANO solely because of a failure to pay utilities, he or she shall retain "*HANO Good Standing*" status, but must be able to put utilities into the name of the head of household prior to moving into a unit at River Garden Apartments.

**I)** "*Named Complainants*" refer to the following *Named Complainants* in the Enforcement Agreement executed in August 2003: Dorothy Beal, Leroy Beasley, Emma Brown, Willie Mae Blatcher, Geraldine Ellis, Vanessa Faulk, Linda Harris, Barbara Jackson, Marion Jordan, Eniel Larks, Barbara Martin, Annie McGee, Shawana Morris, Danita Peck, Winnie Preston, Pauline Richards, Erma Vallery, and Beatrice Ward.

**J)** "*Historic Buildings*" refer to the units being rehabilitated that will be *affordable units*, and that are funded by the low income tax credit program under Section 42 of the Internal Revenue Code. These units are not considered *ACC units*.

**K)** HANO's "*Occupancy Requirements*" refer to the requirements set forth in HANO's Admission and Continued Occupancy Policy (ACOP), as revised September 2003 (Chapter 5, pp. 57-60).<sup>2</sup>

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<sup>2</sup> The ACOP is subject to revisions after a 30 day public comment period. Any subsequently approved revisions to the ACOP will supersede references within this Consent Decree.

L) A “*Preference*” is possessed by all *Preferred St. Thomas Clients* when applying for an *ACC unit* at the River Garden Apartments. A “*Preference*” is possessed by all *Preferred St. Thomas Clients* when applying for a non-ACC *affordable unit* at the River Garden Apartments, unless it is deemed a violation by the Louisiana Housing Finance Agency and will impact HRI/River Garden’s tax credits or bond financing under Section 42 of the Internal Revenue Code. A *Preferred St. Thomas Client*’s “*Preference*” for an *ACC unit or affordable unit* at the River Garden Apartments requires that person to be placed in front of any other *applicant* who has not yet been approved for a River Garden *ACC unit*.

M) A “*Preferred St. Thomas Client*” is a former resident of the St. Thomas Housing Development at any time between January 1, 1995, and December 31, 2000, before it was demolished, regardless of whether the former resident indicated an intent to return to St. Thomas.

1) Former residents include former heads of household or other household members listed on the St. Thomas Development lease of a head of household or documented within the Form HUD-50058.<sup>3</sup> At the time former household members submit an application to River Garden, they must be at least 18 years of age and in *HANO Good Standing*, as defined in Section II.H.

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<sup>3</sup> Form HUD-50058 is a document required by HUD which collects, maintains and reports information on families moving into, already living in, or who have recently lived in Public or Indian Housing, or the Section 8 Rental Certificate, Rental Voucher, or Moderate Rehabilitation Programs. The data collected on the form provides HUD with a picture of the people who participate in subsidized housing programs, such as the *ACC units* offered by River Garden. HANO, as a public housing agency (PHA) is required to collect and electronically submit the information contained on Form HUD-50058 to HUD. The Public and Indian Housing Information Center (PIC) system then captures this information and creates reports used to: (1) analyze the subsidized housing programs; (2) monitor PHAs; (3) detect fraud, and (4) provide information to Congress and other interested parties.

See <http://www.hud.gov/offices/pih/systems/pic/50058/about/index.cfm>

2) With respect to former household members, HANO will allow a site based waiting list to be created by HRI/River Garden within the Visual Homes software<sup>4</sup> for purposes of generating an *applicant* number so that these former household members can be properly accounted for in the Form HUD-50058. Requirements for receiving an *applicant* number from HANO (as part of HANO's determination of who is a *Preferred St. Thomas Client*) include, but are not limited to, demonstrating an increase in family size that cannot be accommodated by the unit sizes at River Garden without splitting the family.

3) Household members that were on the lease of a head of household who was not in *HANO Good Standing* at the time of move-out will retain the right to receive a *Preference*, unless that individual was the reason that the head of household was not in *HANO Good Standing*.

4) *Preferred St. Thomas Clients* will always retain their *Preference* for *ACC units* at River Garden Apartments, and if there is an *ACC unit* available, *Preferred St. Thomas Clients* will be placed in front of any other *applicants*.

N) A "*Prospect*" is any individual who has inquired of HRI/River Garden staff about an *ACC unit* at River Garden, by phone, mail, in-person, or through a representative.

### **III. AFFORDABLE AND ACC UNITS**

HANO and HRI/River Garden, and any other assigned developer or any other selected or designated developer, shall develop, in accordance with the terms and conditions of that certain Development Agreement dated October 28, 1999, as amended,

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<sup>4</sup> In accordance with the Regulatory and Operating Agreement, HRI/River Garden is required to utilize HANO approved software.

by the Amendment to Development Agreement dated December 14, 1999, the Second Amendment to Development Agreement dated October 1, 2001, the Third Amendment and Intervention to Development Agreement dated November 17, 2002, the Fourth Amendment to Development Agreement effectively dated April 23, 2003, and the Fifth Amendment to the Development Agreement dated August 19, 2005, and the Sixth Amendment to the Development Agreement, to be executed in June 2007 (collectively, as amended the "Development Agreement"), subject to the provisions of Sections III A, the following minimum number of *affordable* and *ACC units* at the River Garden development. All *affordable* units and *ACC units*, including those currently constructed, those planned for construction as part of the River Garden development either on or off site, and those not yet planned for construction on the site of the former St. Thomas Housing Development, shall be subject to the *Preference* defined in **Section II.L** and described in **Section VII** of this Consent Decree. In the event the Development Agreement is amended to reduce the number of *affordable units* or *ACC units*, the prior written consent of FHAC is required.

A) HANO and HRI/River Garden shall construct or have constructed:

- 1) CS-1 Rental – 296 total units, 122 units of which are *ACC* housing;
- 2) *Elderly Rental* - 57 *affordable units* for the elderly, 62 years or older .
- 3) Homeownership – 73 total homes, 15 of which are for first time homebuyers at the affordable purchase prices specified in the aforementioned Development Agreement.
- 4) *Historic Buildings* - 37 *affordable units*.



5) CS-2 Rental - 310 total units, including 60 *ACC units* and 64 *affordable units*.

6) 100 units of three-bedrooms and four-bedrooms of off-site rental housing units on lots that were acquired by HANO in 2004.

#### **IV. RENTAL CRITERIA FOR ALL ACC UNITS**

A) *HANO Clients* shall not be subject to any leasing criteria for *ACC units* beyond the following:

1) *HANO Good Standing Requirement*;

2) Household income cannot exceed 60% of the area median income for Orleans Parish, adjusted for family size, as required by Section 42 of the Internal Revenue Code;

3) Head of household must either a) have verifiable employment of a minimum of 20 hours per week, b) be *disabled*, c) be 62 or older, or d) be in a job training program. If the head of household does not meet any one of these requirements, HANO and HRI/River Garden shall offer him or her the opportunity to enroll in a HANO-certified or comparable job training program;

4) Household must meet student restrictions under the tax-exempt bond program and tax credit rules;

5) Household must qualify under HANO's ACOP requirements for the requested unit size;

6) Household must be able to obtain utilities in the head of household's name prior to move-in;

7) *Applicant* must complete the application process and participate in Orientation Training, as specified in the brochure "We Want You Back," Exhibit D.

B) *Preferred St. Thomas Clients* shall not be subject to minimum income requirements.

#### V. ADVERTISING AND MARKETING

A) 1) Within 90 days of the execution of this Consent Decree, and in future phases of River Garden where *ACC units* are delivered, HRI/River Garden shall perform a mailing to *Preferred St. Thomas Clients*. The exact steps and procedures of this process are set forth in Exhibits E and F. The names of all individuals who are to be contacted will be provided to HRI/River Garden by HANO within twenty (20) days of the execution of this Consent Decree.

2) Once HRI/River Garden has completed the requirements of Section V.A.1, HRI/River Garden shall have satisfied its obligation to seek *Preferred St. Thomas Clients* via direct mail. No further mass mailings will be required. However, any *Preferred St. Thomas Clients* shall be able to contact the River Garden Apartments office and seek the *Preference*.

B) At any time when the waiting list falls below 20 families, and in future phases of the development of River Garden where *ACC units* are delivered, HRI/River Garden will conduct the following outreach to *HANO clients*, as well as implement step 6 of the document entitled "Marketing for Future Rental Phases," attached as Exhibit F.

1) HRI/River Garden shall either purchase radio advertising or avail itself of radio public service announcement advertising or radio appearances that may be

available at no cost. In either event, HRI/River Garden shall make a minimum of 10 radio appearances to announce the availability of *ACC units* at River Garden to *Preferred St. Thomas Clients* and *HANO Clients*. HRI/River Garden shall make its appearances on a range of radio media sources, including, but not limited to, the following: WQUE (FM93), WYLD (FM98), WYLD (AM 940), WWOZ (FM90.7), and AM990.

2) HRI/River Garden shall post flyers announcing the availability of *ACC units* at River Garden Apartments to *Preferred St. Thomas Clients* and *HANO Clients* in a range of public accommodations and commercial establishments likely to be frequented by the eligible *applicant* pool, including but not limited to: Wal-Mart on Tchoupitoulas, St. Thomas Health Clinic, HOPE House, the New Orleans Legal Assistance Corporation, Entergy, the main Post Office, the main branch of the New Orleans Public Library, the Social Security office, Office of Family Services, Kingsley House, St. Alphonsus, and City Hall. HRI/River Garden shall also distribute these flyers to current tenants of *ACC units*.

3) HANO shall post the availability of *ACC units* at HRI/River Garden on its website, in its voucher office, at all of its public housing developments, and, upon approval, in the housing authority offices in Atlanta, Georgia, Baton Rouge, Louisiana, and Houston, Texas. HANO shall also announce *ACC unit* vacancies at community meetings and in any mailings to its *HANO Clients*.

#### **VI. NON-DISCRIMINATION POLICY**

River Garden shall post a nondiscrimination policy, attached as Exhibit G, in its leasing office, on its rental applications, and in its ACC housing brochure.

**VII. COMMUNITY EDUCATION AND APPLICATION PROCESS**

A) HANO and HRI/River Garden shall have ongoing responsibility to market *ACC units* to *HANO clients* and advise in marketing that *Preferred St. Thomas Clients* have a *Preference* for housing at River Garden by completing the process set forth in Section V.B.

B) HRI/River Garden shall also have ongoing responsibility to: actively educate *prospects* and *applicants* for *ACC units* regarding HRI/River Garden policies and the application process, as specified in Exhibit D. HRI/River Garden shall identify possible deficiencies in applications while the application is being completed so that the *applicant* has an opportunity to remedy any application deficiencies. Education of *prospects* and *applicants* as well as the identification of possible deficiencies in an application will be accomplished by HRI/River Garden having its staff meet and go through the application process with a *prospect* or *applicant* and the family of the *prospect* or *applicant*.

C) HRI/River Garden shall distribute a brochure, attached as Exhibit D, which informs *prospects* that HRI/River Garden will adhere to the following application process:

- 1) The purpose of construction of the *ACC units* at River Garden is to provide housing to *Preferred St. Thomas Clients* and other *HANO Clients*;
- 2) Qualified *Preferred St. Thomas Clients* have a *Preference* over any other *applicants* for *ACC units*. Former heads of households, at the time of demolition, may be eligible for moving expenses under the Uniform Relocation Act, 42 U.S.C. §4601, et seq. ("URA"), and HANO will make that determination in accordance with the URA. Within twenty (20) days

of execution of this Consent Decree, HANO will create a flyer with the assistance of the New Orleans Legal Assistance Corporation explaining that moving expenses may be available from HANO for certain former St. Thomas heads of households. HRI/River Garden shall distribute this flyer as soon as it is available to all existing tenants who are *Preferred St. Thomas Clients*. HRI/River Garden shall distribute this flyer to all future tenants who are *Preferred St. Thomas Clients* upon execution of the River Garden lease;

- 3) *Preferred St. Thomas Clients* and other *HANO Clients* have a right to be included on a waiting list for *ACC units* at River Garden;
- 4) HRI/River Garden staff will actively educate *prospects* and *applicants* for *ACC units* regarding HRI/River Garden policies and the application process for the life of this Consent Decree, as specified in Exhibit D;
- 5) Any *applicant* denied admission shall be notified by HRI/River Garden staff in accordance with Section VII.F. This notification shall be in writing in a Letter of Ineligibility and by telephone call to the number listed on the application. This Letter of Ineligibility shall explain the Application Appeal Policy and include the address and phone number for New Orleans Legal Assistance Corporation.
- 6) River Garden staff will assist *applicants* for *ACC units* by attempting to identify possible deficiencies in an application while the applications are being completed so that the *applicants* have an opportunity to remedy any application deficiencies;

7) HRI/River Garden staff will assist *applicants* by informing *applicants* at least 20 days before necessary documentation expires, and will include the following statement on the Application: “This application will expire if the application process is not completed by\_\_\_\_\_;” and

8) An *applicant* will not lose his or her place on the waiting list for an *ACC unit* solely because his or her application and/or verifications were completed more than 90 days earlier.

D) Former Residents may 1) complete an Affordable Housing *Application* to be processed for move-in, 2) an Affordable Housing *Prospect* Form to be placed on the waiting list, or 3) an acknowledgement that they will not be contacted again but will have the right to a *Preference* if they contact the office in the future. The Affordable Housing Prospect Form, attached as Exhibit H, is to be offered when a *prospect* cannot fill out an Affordable Housing Application because of a reasonable delay, such as when no vacant *ACC units* are available.

E) **Preferences.** HRI/River Garden’s waiting lists shall reflect a series of *Preferences* for *applicants* seeking an *ACC unit* or *affordable unit* at River Garden. The rank of each *applicant* on the waiting lists shall be determined according to the following ranking.

1) *Preferred St. Thomas Clients*, including *Named Complainants*, will have the first priority.

2) Other *HANO Clients* will have second priority.

3) Within each of these two groups, priority will be given based upon the earliest date of submission of either a Prospect Form or Affordable Housing Application form.

**F) Application Appeal Policies.** Any *applicant* who disagrees with an action, decision, or inaction of HRI/River Garden or HANO during the application process may follow the appeal procedure set forth in this section. HRI/River Garden and HANO shall maintain separate appeal policies to address their respective independent determinations and responsibilities during the application process. This section establishes the required administrative process which must be followed prior to an individual *applicant* seeking to enforce this Consent Decree under Section X.V. of this Consent Decree.

**1) HRI/River Garden Determinations/ Duties and Appeal Policy:**

a. HRI/River Garden shall be responsible for any determinations not considered to be HANO Determinations as defined at VIIF(2)(a).

b. The HRI/River Garden Appeal Policy shall not be applicable to disputes between *applicants* and HANO, which do not involve the aforementioned HRI determinations.

c. HRI Determinations must be appealed using the HRI/River Garden Appeal Request Form.

**2) HANO's (Determinations/Duties) and Appeal Policy):**

a. The HANO Appeal Policy, attached as Exhibit I, shall be applicable to *applicants* for *ACC units* at River Garden who are denied admission to River Garden based upon HANO's determination or inaction, within two (2) business days of HRI's written or email request, as to whether an *applicant*:

- i. is a *HANO Client*
- ii. is a *Preferred St. Thomas Client*
- iii. satisfies the *HANO Good Standing Requirement*
- iv. satisfies the requirements under the HOPE VI Community Supportive Services Program (CSSP) requirements
- v. satisfies HANO's *Occupancy Requirements* as set forth in the ACOP.

(hereinafter referred to globally as "HANO determinations").

b. The HANO Appeal Policy **shall not** apply to disputes between *applicants* and HRI/River Garden, which do not involve the aforementioned HANO determinations.

3) HRI/River Garden shall notify *applicants* of each HANO Determination and HRI/River Garden Determination, by calling the telephone number listed on the application and by mailing written Notice of Ineligibility within one (1) business day of the Determination. HRI/River Garden shall also email FHAC all Notices of Ineligibility upon issuance. The Notice of Ineligibility must include the HANO Appeal Request Form or HRI/River Garden Appeal Request Form, attached as Exhibit J. These forms shall inform *applicants* of the right to obtain counsel and shall provide contact information for the New Orleans Legal Assistance Corporation. The HANO and HRI/River Garden



Appeal Request Forms shall also be available at the River Garden Apartments' office, the HANO Compliance Department, and the HANO website ([www.hano.org](http://www.hano.org)).

4) An *applicant's* right to appeal either a HANO Determination or an HRI/River Garden Determination expires on the eleventh (11<sup>th</sup>) business day after the written HRI/River Garden Notice of Ineligibility is mailed.

5) HRI/River Garden will hold an available affordable unit assigned to an applicant for three (3) business days following HANO's or HRI/River Garden's denial of that applicant's appeal. If a written demand is not served on HANO and HRI/River Garden within three (3) business days of the final disposition of the appeal, then HRI/River Garden shall be free to rent the unit to another applicant on the fourth business day after the final disposition of the appeal.

#### **VIII. DOCUMENT RETENTION**

A) HANO and HRI/River Garden shall, for the life of this Consent Decree, keep, preserve, and make available for inspection all records, documents, correspondence, paperwork, and anything else generated as a result of applications for *ACC units* at River Garden. HRI/River Garden shall make these records available to FHAC or the Tulane Law Clinic to copy and/or inspect during any of the inspections referenced in Section XII.

B) In addition, any *applicant* for an *ACC unit* has the right to inspect his or her application, by scheduling an appointment with the on-site Compliance Officer, which includes all records, documents, correspondence, paperwork, and anything else generated

as a result of an application for an *ACC unit* at River Garden. An *applicant* may designate a representative, such as a family member, friend, attorney, or employee of NOLAC, FHAC, or other assistance agency, to exercise this right of inspection by signing a statement that says: "I hereby designate [name] as my representative to inspect my River Garden application file."

C) HANO and/or HRI/River Garden shall under no circumstances destroy or otherwise dispose of any documents, records, emails, letters, paperwork, logs, or waiting lists which they are required to keep, preserve, and make available for inspection under this Consent Decree.

#### **IX. RECORD KEEPING**

In addition to the documents required to be retained under **Section VIII**, HANO and HRI/River Garden shall create, keep, preserve, and make available for inspection the following records:

A) **Phone Log.** HRI/River Garden shall maintain a computer based guest card log of all of River Garden leasing office's incoming and outgoing phone calls from or to any *prospect* for *ACC units*, *applicant* for *ACC units*, or any individual representing or assisting an *applicant* or potential *applicant*, such as a family member, friend, attorney, or employee of NOLAC, FHAC, or other assistance agencies.

B) **Walk-In Visit Log.** HRI/River Garden shall maintain a computer based guest card log of all walk-in visits to the River Garden leasing office made by any *prospect* for *ACC units*, *applicant* for *ACC units* or any individual representing or assisting an

*applicant* or potential *applicant*, such as a family member, friend, attorney, or employee of NOLAC, FHAC, or other assistance agencies.

**C) Prospect Forms.** HRI/River Garden shall maintain all Affordable Housing Prospect Forms completed by any *prospect* for ACC units, whether the *prospect* inquires by phone or through a walk-in visit. If a *prospect* for an ACC unit is a walk-in visitor, the *prospect* can sign the form as required. If the *prospect* for an ACC unit provides information for the form over the phone, then no signature will be required. These individuals must be provided, and HRI/River Garden must retain if signed, a copy of the “We Want You Back” brochure, which is attached as Exhibit D.

**D) Application Files.** HRI/River Garden shall maintain an application file for every individual who applies for an ACC unit at River Garden. A file shall be opened when an individual has at least completed the first step in the application process by filling out an Affordable Housing Application form. The file shall contain a folder with the *applicant's* name. The folder shall contain a checklist detailing all the documents and information needed from the *applicant*. This checklist is attached as Exhibit K. A copy of this checklist shall also be provided to the *applicant* upon the opening of an Affordable Housing Application file. In addition, the folder shall contain copies of all records, files, documents, emails, letters, and paperwork related to an individual's application process. A log of applications shall be kept that specifies the name of the *applicant*, the date of each application, at least 2 contact numbers, whether the *applicant* is a Preferred St. Thomas Client or other HANO Client, the status of the application, whether it is approved, and whether and when a Notice of Ineligibility has been sent.

**E) HANO Appeal Request Forms.** HANO shall maintain all records of HANO Appeal Request Forms regarding the application process submitted by any *Preferred St. Thomas Client* or *HANO Client* in accordance with Section VII.F. All records of investigations conducted by HANO, final decisions rendered on the Appeal Request, and all records of actions taken by HANO in response to such Appeal Requests shall continue to be maintained by the Director of Compliance and/or designee.

**F) Other Documents.** HRI/River Garden shall also maintain the following:

1) All records of appeal requests or complaints regarding the application process or tenancy made by any *Preferred St. Thomas Client*, any *HANO Client*, or other resident applying for or living in an *ACC unit*, all records of investigations conducted by HANO and/or HRI/River Garden into such complaints, and all records of actions taken by HANO and/or HRI/River Garden in response to such complaints shall continue to be maintained in the *applicant* or resident's file;

2) All records documenting outreach and advertising made under this Consent Decree, as required in **Section V**;

3) All records relating to implementation of any provision of this Consent Decree, including general correspondence, emails, monthly reports, records relating to management and staff education, and records relating to the quality assurance telephone recording system referenced in Section XII.

G) **Waiting Lists.** HRI/River Garden shall maintain a waiting list of individuals who have completed an Affordable Housing Application or an Affordable Housing Prospect Form. HRI/River Garden shall maintain two separate waiting lists for individuals seeking two-bedroom and three-bedroom units and administer the *Preferences* set forth in Section VII.E. See waiting list log attached at Exhibit L.

## **X. REPORTING**

A) HRI/River Garden shall complete monthly reports that demonstrate its compliance with the terms of this Consent Decree. The reports shall be delivered to FHAC and HANO within 30 days of the expiration of the previous month via email. This Report will be deemed reliable to the best of the knowledge of the President of the HRI/River Garden Management Company. The HANO Director of Compliance, or other designee, shall have seven (7) business days to submit written objections, otherwise the monthly reports will be deemed reliable by HANO. The format for this compliance report is attached as Exhibit M.

B) Upon written notification by FHAC of failure to provide a timely monthly report, HANO and HRI/River Garden shall have seven (7) business days to rectify the oversight.

## **XI. MANAGEMENT AND STAFF EDUCATION**

HRI/River Garden will require all of its River Garden and Corporate Staff to attend, at a minimum, annual fair housing training conducted by a third party organization or a HUD qualified instructor and will maintain evidence of the same in the

form of a completion certificate in the employee's file. HANO will require its management staff and relevant employees to attend, at a minimum, annual fair housing training conducted by a third party organization or a HUD qualified instructor and will maintain evidence of the same in the form of a completion certificate in the employee's file. Further, all HRI/River Garden and HANO staff will be trained on the contents of this Consent Decree and will acknowledge the same in a written acknowledgement form to be maintained in the employee's personnel file.

## **XII. FHAC MONITORING**

At FHAC's option, it may choose to monitor compliance of this Consent Decree. FHAC may conduct inspections of records required to be maintained under this Consent Decree no more than two times per year upon 24-hour's notice and two times per year upon seven days' notice. FHAC may send matched testers (mystery shoppers) to River Garden as often as it chooses to send.

HRI/River Garden will contract for a three year period to have all its incoming phone calls recorded at the River Garden Leasing Office by a third party quality assurance telephone recording system. FHAC may obtain, at its discretion and at no charge, transcripts up to 30 days per year of these phone calls from the designated third party.

## **XIII. COMMUNITY BUILDING**

A) HRI/River Garden shall create an office in the historic building on site where the River Gardens Advisory Committee and ACC Resident Council can meet and residents can obtain other training and community services.

B) A staff person from the New Orleans Legal Assistance Corporation (NOLAC) will be permitted to work in the community office to meet with ACC *prospects*, *applicants*, or residents.

C) Any and all notices of eviction, incident reports, application rejection letters, and other adverse decision letters directed to a *prospect*, *applicant*, or tenant of an ACC *unit* at River Garden shall include a phone number for NOLAC and information concerning when a NOLAC staff person is scheduled to be on the site at River Garden.

#### **XIV. RETALIATION**

HANO and HRI/River Garden is enjoined from retaliating against plaintiffs or any person who has made a complaint, testified, assisted, or participated in any manner in a proceeding under the Fair Housing Act.

#### **XV. COMPLIANCE**

Failure to comply with the terms of this Consent Decree, whether through affirmative violation or omission of required actions, shall subject HANO and/or HRI/River Garden to contempt sanctions, but only after the parties have attempted to resolve any disputes regarding the interpretation or implementation of this Consent Decree through good faith negotiations without need of judicial intervention. Good faith negotiation shall include completion of the appeal process described in section VII.F. The plaintiffs may move for such sanctions at any time during the life of this Consent Decree by filing an appropriate notice in the instant action, styled *Corner, et al. v. Housing Authority of New Orleans, et al.*, Civ. Action No. 06-10751 (E.D. La.).

If any term of this Consent Decree is specifically required to be performed solely by HANO or HRI/River Garden, and 1) that specific term is not performed by that party,

2) the other party is unable to perform the term, and 3) efforts to resolve the matter have not been successful, then FHAC shall agree to only pursue legal action against the nonperforming party. Nothing in this section prohibits FHAC from joining a party without whom complete relief cannot be accorded.

#### **XVI. TERM OF AGREEMENT**

The term of this Consent Decree will begin upon the execution of this Consent Decree by all Parties, and expire upon the longer of **five years**, or as long as it takes to complete initial lease-up (occupancy) of all of the *ACC* and *affordable units* specified in section III, whether on or off site. Initial lease-up for *ACC units* occurs when there is occupancy of all *ACC units* by a *HANO Client* for a minimum of 30 days. Initial lease-up of *affordable units* occurs when there is occupancy of all *affordable units* by income qualified occupants for a minimum of 30 days. The Court in this action shall retain jurisdiction of this action for all purposes relating to the enforcement of this Consent Decree.

#### **XVII. TERMINATION OF LEGAL ACTION**

At the expiration of 20 days from the date of the expiration of this Consent Decree, HANO and HRI/River Garden may move for dismissal of this case.

#### **XVIII. NOTICE AND CORRESPONDENCE**

All notices and correspondence required to be sent to the plaintiffs under the provisions of this Consent Decree shall be sent to the Greater New Orleans Fair Housing Action Center, c/o the undersigned counsel for the plaintiff, in writing by electronic mail, at the following address:



Stacy Seicshnaydre, Esq.  
Tulane Civil Litigation Clinic  
6329 Freret Street, Suite 130  
New Orleans, LA 70118  
sseicshn@tulane.edu

All notices and correspondence required to be sent to the defendants under the provisions of this Consent Decree shall be sent to HRI/River Garden Apartments and HANO, c/o the undersigned counsel for the defendants, in writing by U.S. Mail or by electronic mail at the following addresses:

Debra J. Fischman, Esq.  
Sher Garner Cahill Richter Klein & Hilbert, L.L.C.  
909 Poydras Street – 28<sup>th</sup> Floor  
New Orleans, LA 70112  
dfischman@shergarner.com

General Counsel  
Housing Authority of New Orleans  
4100 Touro Street, 3<sup>rd</sup> Floor  
New Orleans, LA 70122

If this notice provision must be amended, the party requesting the amendment shall notify all parties.

**XIX. READING OF THE CONSENT DECREE**

Each of the Parties has carefully read this Consent Decree, was assisted by its respective counsel, understands its meaning and consequences, and signs the same of its own free will.

**XX. PREPARATION OF THE CONSENT DECREE; CONSTRUCTION**

Each of the Parties has cooperated in the drafting and preparation of this Consent Decree. Therefore, this Consent Decree shall not be construed against either party.

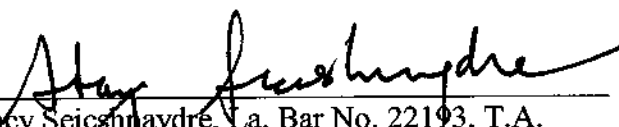
**XXI. FINAL UNDERSTANDING**

This writing constitutes the complete, final and entire understanding of the Parties hereto with respect to all matters relating to the prospective relief addressed in this Consent Decree and supersedes all prior agreements or understandings relative to that prospective relief.

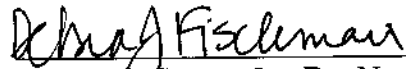
**XXII. AMENDMENT**

This Consent Decree may not be modified or changed orally, and may be amended only by an agreement in writing signed by the party against whom enforcement of any such change is sought.

Respectfully submitted,

  
\_\_\_\_\_  
Stacy Seichmaydre, La. Bar No. 22193, T.A.  
Maureen Blackburn Jennings, La. Bar No. 3100  
Supervising Attorneys  
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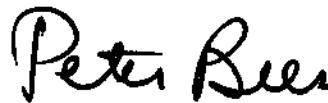
Attorneys for Defendant, LGD Rental 1, LLC,  
Doing business as River Garden Apartments



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(504) 670-3389

Attorneys for Defendant, Housing Authority  
of New Orleans

Ordered this 5<sup>th</sup> day of July, 2007.



JUDGE PETER BEER